

875—171.5(90A) Termination.

171.5(1) Cause. The contract may be terminated in whole or in part at any time before the date of completion, whenever it is determined by the commissioner that the grantee has failed to comply substantially with the conditions of the contract. The grantee shall be notified in writing by the commissioner of the reasons for the termination and the effective date. The grantee shall not incur new obligations for the terminated portion after the effective date of termination and shall cancel as many outstanding obligations as possible.

171.5(2) Responsibility of grantee at termination. Within 45 days of the termination, the grantee shall supply the commissioner with a financial statement detailing all costs up to the effective date of the termination. If the grantee expends money for other than specified budget items approved by the commissioner, the grantee shall return moneys for unapproved expenditures.

171.5(3) Appeals. Any grantee aggrieved by a final decision regarding a grant award may appeal the decision by notifying the commissioner in writing within 10 days of the date of the decision. The commissioner shall issue a decision on the appeal within 60 days.

171.5(4) Refusal to issue ruling. The commissioner may refuse to issue a ruling or decision upon an appeal for good cause. Good cause includes, but is not limited to, the following reasons:

1. The appeal is untimely;
2. The appellant lacks standing to appeal;
3. The appeal is not in the required form or is based upon frivolous grounds;
4. The appeal is moot because the issues raised in the notice of appeal or at the hearing have been settled by the parties;
5. The termination of the grant was beyond the control of the department because it was due to lack of funds available for the contract.